

STATE OF NEW JERSEY  
Office of the Attorney General  
Department of Law and Public Safety  
Division of Gaming Enforcement  
Dkt No. 10-0348-VC

STATE OF NEW JERSEY, DEPARTMENT  
OF LAW AND PUBLIC SAFETY,  
DIVISION OF GAMING ENFORCEMENT,  
  
Petitioner,  
  
v.  
  
HARRAH'S ATLANTIC CITY OPERATING  
COMPANY, LLC, d/b/a HARRAH'S  
MARINA HOTEL & CASINO,  
  
Respondent.

ORDER

The Division filed a complaint on November 18, 2010, Docket No. 10-0348-VC, seeking sanctions against HARRAH'S ATLANTIC CITY OPERATING COMPANY, LLC d/b/a HARRAH'S MARINA HOTEL & CASINO ("Harrah's") for reasons set forth therein and, more specifically, that Harrah's permitted an underage person to enter, remain, and wager in its casino, and further, that Harrah's permitted the service of an alcoholic beverage to that underage person; and

Having considered the relevant provisions of the Casino Control Act, N.J.S.A. 5:12-1 et seq., specifically N.J.S.A. 5:12-119(b), and the regulations promulgated thereunder, specifically N.J.A.C. 13:69C-16.1(a)1, N.J.A.C. 13:69C-16.1(a)2, and N.J.A.C. 13:69C-16.1(a)3, in addition to N.J.S.A. 9:17B-1b, N.J.S.A. 5:12-103f(2),

N.J.A.C. 13:2-23.1(a) and N.J.A.C. 13:69I-1.2 (a); and

Having considered the Stipulation of Settlement which the parties executed and finding sufficient legal and factual support for the recommended penalty therein.

I hereby **ORDER** that the settlement be adopted and that a civil penalty in the aggregate amount of \$5,000 be imposed upon Harrah's, payable upon receipt of an invoice from the Division.

Dated: \_\_\_\_\_

July 11, 2012

A handwritten signature in black ink, appearing to read "David L. Rebeck", written over a horizontal line.

DAVID L. REBUCK  
DIRECTOR

JEFFREY S. CHIESA  
Attorney General of New Jersey  
Attorney for the State of New Jersey  
Department of Law and Public Safety  
Division of Gaming Enforcement  
1300 Atlantic Avenue  
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By: Timothy C. Ficchi  
Deputy Attorney General  
(609) 317-6218

N. Lynne Hughes, Esquire  
VP Legal Affairs & Chief Legal Officer  
Caesars Entertainment/Eastern Division  
Bally's Atlantic City  
Park Place and the Boardwalk  
Atlantic City, NJ 08401

STATE OF NEW JERSEY  
DOCKET NO.: 10-0348-VC

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HOTEL & CASINO, )  
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STIPULATION OF FACTS  
AND SETTLEMENT

The above-captioned matter having been discussed by and between the parties involved, Jeffrey S. Chiesa, Attorney General of New Jersey, attorney for Complainant State of New Jersey, Department of Law and Public Safety, Division of

Gaming Enforcement ("Division") by Timothy C. Ficchi, Deputy Attorney General, and N. Lynne Hughes, Esquire, VP Legal Affairs & Chief Legal Officer - Caesars Entertainment/Eastern Division, attorney for Respondent Harrah's Atlantic City Operating Company, LLC d/b/a Harrah's Marina Hotel & Casino (hereinafter "Harrah's"), the following facts have been agreed upon and stipulated as to the Division and Harrah's:

Preliminary Facts

1. Respondent Harrah's is a New Jersey enterprise having its principal place of business located at 777 Harrah's Boulevard, Atlantic City, New Jersey 08401.

2. Harrah's is the holder of a casino license first issued by the Casino Control Commission on or about November 19, 1981.

3. At all times relevant herein, Harrah's was authorized to conduct casino gaming within its casino hotel facility.

Facts Regarding Underage Gambling of MC

4. MC is a male individual whose date of birth is September 23, 1989. At all times relevant herein, MC was under 21 years of age.

5. On August 6, 2010 at approximately 11:34 p.m., MC entered Harrah's casino floor and remained standing in the area of Pit 7, BJ-724 and BJ-723. A group of males were with MC while he was in the area of Pit 7 at this time.

6. At approximately 11:45 p.m., MC handed currency to a player who was seated at BJ-724 for the purpose of having that player use that money to place a bet on behalf of MC. The player then used the money provided by MC to place a bet on behalf of MC.

7. Based upon the outcome of the bet described in Paragraph 6, the seated player who placed a wager on behalf of MC won gaming chips from such wager and turned over such gaming chips to MC.

8. Soon after MC received the gaming chips from the seated player, as described in Paragraph 10, MC handed the seated player gaming chips and the seated player then placed a bet on BJ-724, using the chips provided by MC.

9. At approximately 11:55 p.m., MC moved from the area of BJ-724 to BJ-723, where at 12:02 a.m., he handed gaming chips to a seated player on that game who then used those chips to place a bet on behalf of MC.

10. At approximately 12:02 a.m., two Division State Investigators observed MC standing at BJ-723 with a five dollar (\$5.00) gaming chip in his hand and drinking from

a bottle of beer and interacting with a seated player at BJ-723. Due to the youthful appearance of MC, the State Investigators approached MC and requested identification. MC initially represented that he was twenty-two (22) years of age but upon further inquiry of the State Investigators he eventually admitted that he was twenty (20) years of age.

11. Upon establishing the age of MC as that under twenty-one (21), the State Investigators summoned Harrah's security officers for assistance in escorting MC to the Security office at Harrah's where MC was processed and charged by New Jersey State Police for underage gambling and underage drinking. MC had admitted to Harrah's security department representatives and the Division State Investigators that he had given ten dollars (\$10.00) to a player on BJ-723 to play and had received a five dollar (\$5.00) gaming chip at the end of the hand.

Applicable Law (Underage Gambling)

12. N.J.S.A. 5:12-119(b) was effective at all times referenced herein and provides in pertinent part:

Any licensee or employee of a casino who allows a person under the age at which a person is authorized to purchase and consume alcoholic beverages to remain in or wager in a casino or simulcasting facility is guilty of a disorderly persons offense; . . .

13. N.J.S.A. 9:17B-1(b) was effective at all times referenced herein and provides in pertinent part:

The Legislature finds and declares and by this act intends. . to:  
b. Extend to persons 21 years of age and older the right to purchase and consume alcoholic beverages. . . .

14. N.J.A.C. 13:69C-16.1(a) was effective at all times referenced herein and provides in pertinent part:

(a) No casino licensee or agent or employee thereof, shall allow, permit or suffer any person under the age at which a person is authorized to purchase and consume alcoholic beverages in this State ("underage person") to:

1. Enter a casino or casino simulcasting facility, except to pass directly to another room, unless the underage person is licensed under the Act and is acting in the regular course of his or her licensed activities;

2. Remain in a casino or casino simulcasting facility, unless the underage person is licensed under the Act and is acting in the regular course of his or her licensed activities;

3. Wager at any game or at casino simulcasting in a casino or casino simulcasting facility;

#### Facts Regarding Underage Drinking of MC

15. Harrah's is the holder of, and operates pursuant to, a Casino Hotel Alcoholic Beverage ("CHAB") license. Said CHAB license was in effect at all times referenced herein and requires that the licensee comply with all Commission regulations and all other statutes and regulations pertaining to the retail sale of alcoholic beverages.

16. After receiving his gambling winnings as described in Paragraph 7, MC stepped away from the table to place an order for an alcoholic beverage, a bottle of beer, from a beverage server. The beverage server handed MC a bottle of beer without requesting identification from MC. MC gave the beverage server a gaming chip as a tip.

Applicable Law (Underage Drinking)

17. N.J.S.A. 5:12-103f(2) provides:

It shall be unlawful for any person issued a Casino Hotel Alcoholic Beverage License to expose, possess, sell, give, dispense, transfer, or otherwise dispose of alcoholic beverages, "other than within the terms and conditions of the Casino Hotel Alcoholic Beverage License issued, the provisions of Title 33 of the Revised Statutes, the rules and regulations promulgated by the director of the Division of Alcoholic Beverage Control, and, when applicable, the regulations promulgated pursuant to this act.

18. N.J.A.C. 13:69I-1.2(a) states, in pertinent part:

"Title 33 of the Revised Statutes and the rules, regulations and bulletins promulgated thereunder by the Director of the Division of Alcoholic Beverage Control shall . . . apply to any premises and to any CHAB licensee."

19. N.J.A.C. 13:2-23.1(a) provides:

No licensee shall serve or deliver or allow, permit or suffer the sale or delivery of any alcoholic beverage, directly or indirectly, to any person under the legal age to purchase or consume alcoholic beverages or allow, permit or suffer the consumption of any alcoholic beverage by any person in or upon the licensed premises.



#### Prior Regulatory History of the Licensee

20. Harrah's was the subject of formal administrative complaints and found by the Commission to have permitted underage persons to enter its casino, remain in its casino and wager at games in its casino on three (3) occasions within the past ten (10) years:

a) In State v. Marina Associates d/b/a Harrah's Marina Hoel & Casino, Dkt. No. 02-0441-VC (2002), the Commission imposed a fine of \$20,000 against Harrah's for allowing an underage individual to gamble in its casino.

b) In State v. Marina Associates d/b/a Harrah's Marina Hotel and Casino, Dkt. No. 08-0518-VC (2009), the Commission imposed a fine of \$15,000 against Harrah's for allowing an underage individual to gamble in its casino.

c) In State v. Harrah's Atlantic City Operating Company, LLC d/b/a Harrah's Marina Hotel & Casino, Dkt. No. 10-0144-VC (2011), a stipulation of settlement was approved imposing a fine of \$15,000 against Harrah's for allowing an underage individual to gamble in its casino.

#### Corrective Action Of The Licensee And Mitigating Factors

21. The issuance of credit was not involved in this incident.

22. One beverage server was terminated as a result of this incident.

23. Harrah's represents that its records indicate that it has caught and subsequently either arrested or ejected, prevented from entering or escorted from its casino floor 9,171 underage individuals in calendar year 2010; 7,802 in calendar year 2011; and 3,140 underage individuals in calendar year 2012 through June 17, 2012.

24. Harrah's has developed and implemented various initiatives to identify and stop individuals from participating in underage gambling:

a. With the assistance of its parent, subsidiary and affiliated companies, Harrah's has adopted responsible gaming initiatives, which teach employees, minors, parents and guardians about the consequences of gambling under the legal age. These initiatives include, without limitation, front and back-of-house signage, detailed employee training on cues for identifying minors, and the on-going creation of materials to keep employees and players aware, including community awareness through TV public service announcements.

b. Harrah's trains its employees to card individuals who appear to be below the age of 30, and take other actions

to detect potentially invalid identification. Harrah's now uses electronic ID scanners to card its guests. Harrah's issues appropriate and consistent discipline to its employees who fail to perform his or her employment obligations with regard to underage gaming or drinking.

c. Harrah's, through its Code of Commitment, repeatedly emphasizes to its employees, guests and surrounding communities that casino gaming is an adults-only activity, and Harrah's requires its employees to remain vigilant in their efforts to prevent underage gaming. In so doing, Harrah's restricts the placement and content of its advertising and marketing materials to age-appropriate venues and messages.

In sum, Harrah's asserts that it takes its responsibilities and obligations regarding responsible gaming seriously and it is consistently exploring avenues in which to advance its responsible gaming initiatives.

#### Settlement Agreement

WHEREAS, Respondent Harrah's admits that by permitting MC, an underage person, to enter the casino, remain in the casino, and wager at games in the casino,

Respondent Harrah's violated N.J.S.A. 5:12-119(b), N.J.A.C. 13:69C-16.1(a)1, N.J.A.C. 13:69C-16.1(a)2, and N.J.A.C. 13:69C-16.1(a)3.

WHEREAS, Respondent Harrah's admits that by permitting the service of an alcoholic beverage to MC, a person under the age at which a person can legally be served and consume alcoholic beverages, Harrah's violated N.J.S.A. 9:17B-1b, N.J.S.A. 5:12-103f(2), N.J.A.C. 13:2-23.1(a) and N.J.A.C. 13:69I-1.2(a).

IT IS THEREFORE consented to and agreed upon by the Division of Gaming Enforcement and Harrah's that:

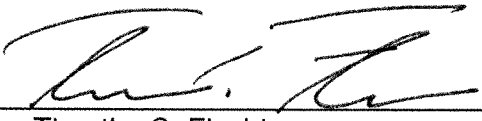
A. Respondent Harrah's shall pay the sum of \$5,000 to the New Jersey Casino Revenue Fund as a civil penalty pursuant to N.J.S.A. 5:12-129(5) for the aforementioned violations associated with permitting PP, an underage person, to enter the casino, remain in the casino, and wager at games in the casino.

B. The parties agree that such penalty is just and equitable and in accordance with the criteria for the imposition of sanctions set forth at N.J.S.A. 5:12-130 and shall be in

full and final settlement of the allegations set forth in the above captioned complaint.

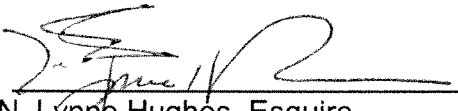
State of New Jersey, Department  
of Law and Public Safety,  
Division of Gaming Enforcement

Dated: 6/26/12

By:   
Timothy C. Ficchi  
Deputy Attorney General

Harrah's Atlantic City Operating Company, LLC  
d/b/a Harrah's Resort Atlantic City

Dated: 6/26/2012

By:   
N. Lynne Hughes, Esquire  
VP Legal Affairs & Chief Legal Officer  
Caesars Entertainment  
Eastern Division